From: David Straub
To: Microsoft ATR
Date: 1/24/02 9:56am
Subject: Microsoft Settlement

The microsoft settlement is not in the public interest because it permits anti-competitive practices to continue, thereby forcing consumers to spend more money than they should for inferior software.

## SUBSTANTIATION:

Q1. If Microsoft is so innovative, why do Access 97 databases need to changed to backwards incompatible Access 2000 databases?

A1. Because they can force you to get the newest version of their software.

1 COMMENTARY: There was a time when new applications offered great improvements and it was worth upgrading. Even so, upgrading should be an option to the user rather than a "have to" because once a co-workder or business associate upgrades, you have to due to incompatibility issues. In contrast, the HTML file format - from the beginning - was upgrade neutral. A version 1 browser could, in theory, read HTML 4 and an HTML 4 browser could read HTML version 1.

- Q2. If Microsoft wants to add things to their operating system to improve it (i.e. with Internet Explorer), why has Wordpad never been updated with Word? A2. Because Microsoft has a monopoly in the word processing market and doesn't need to drive anyone out of business.

  2 COMMENTARY: Wordpad has been in Windows from the beginning, yet has not improved at all. Yet Microsoft somehow claims that they had a right to integrate the browser into the operating system while ignoring the word processor.
- Q3. Why does Microsoft come out with new versions of their operating system rather than releasing free service packs to augment the old one?
- A3. Because Microsoft has a monopoly in the desktop OS market and a new OS is their license to print money.
- 3 COMMENTARY: little has changed from windows 95 to xp while there has been 98, 2000 and ME in-between. Perhaps they finally got it better with xp, but are the successive versions worthy of new names or should they have been free upgrades? Is there really that much of a difference between 95 and XP?
- Q4: If Microsoft is such an innovator, why have they never come out with an innovative product in their history?
- A4. Because they are in the business of extensdng their monopoly, not writing great software.
- 4 COMMENTARY:

The first program was a copy of basic.

They bought DOS from another company.

Excel was a copy of Lotus 123.

Word was a copy of Wordperfect.

Word GUI was made at the request of Apple.

Windows was a copy of Apple's OS (which was deisgned at xerox parc)

They had to buy a database program, foxpro, since dbase owned that market.

Powerpoint was a copy of Harvard Graphics.

We all know what they had to do with the Internet market to catch up, especially with browsers.

Q5: Why doesn't the price of Microsoft operating systems drop over time and why do they become unavailable?

A5. You don't have to change your pricing and policies when there is no competition.

5 COMMENTARY: I have had an occasion to want to buy an old operating system. Perhaps I have some old crummy computer and would like to add an OS for next to nothing. Why can't I buy windows 98 for \$20 today? Why does the price of Windows 2000 stay the same when hardware prices drop every month? Especially considering the fact that - once you make your money back - it is far easier to drop the price on software.

## **REMEDIES:**

- 1. Bundle Microsoft office with the operating system including selling Windows 98 with office '97 for \$97.50 or less.
- 2. Require all Microsoft office documents to be forward and backward compatible.
- 3. Requre all Microsoft OS code to be entered into the public domain two years after their initial release and grandfather in programs already released.
- 4. Require Microsoft to sell programs for 10 years from their initial release.

Sincerely, David Straub